



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 25, 2011

H.R. 2471

A bill to amend section 2710 of title 18, United States Code, to clarify that a video tape service provider may obtain a consumer's informed, written consent on an ongoing basis and that consent may be obtained through the Internet

As ordered reported by the House Committee on the Judiciary on October 13, 2011

Current law permits businesses that rent, sell, or deliver audio visual materials to disclose personal information about customers to other persons if the customer grants written consent. H.R. 2471 would clarify that such consent may be given beforehand through the use of the Internet. CBO estimates that implementing the bill would have no significant cost to the federal government. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 2471 contains no intergovernmental mandates as defined in the Unfunded Mandated Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

H.R. 2471 would impose a private-sector mandate, as defined in the UMRA, by requiring providers of video tape services and other entities to use “distinct and separate” forms when obtaining consent to disclose a consumer’s personally identifiable information. At the same time the bill would benefit providers and other entities by allowing them to obtain consent via the Internet, in advance, and only once until consent is withdrawn. Current law requires written consent each time discloser of a consumer’s information is sought. Based on information from industry sources, CBO estimates that there would be no significant net costs to comply with the mandate; thus any costs would fall well below the annual threshold established in UMRA for private-sector mandates (\$142 million in 2011, adjusted annually for inflation).

The CBO staff contacts for this estimate are Mark Grabowicz (for federal costs) and Paige Piper/Bach (for the impact on the private sector). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.